GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

STARRED QUESTION NO:36
ANSWERED ON:13.08.2007
STRENGTHENING OF COOPERATIVE SOCIETIES
Pradhan Shri Dharmendra;Shukla Smt. Karuna

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government has formulated any scheme or schemes to strengthen the cooperative societies with a view to promoting agricultural development;

(b) if so, the details thereof;

(c) the amount provided for the purpose during the current financial year; and

(d) the strategy of the Government to ensure timely utilization of the said amount?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SHARAD PAWAR)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 36 DUE FOR REPLY ON 13TH AUGUST, 2007.

(a) & (b): Based on the recommendations made by the Task Force on revival of Rural Cooperative Credit Institutions (Chairman: Prof. A. Vaidyanathan), Government of India has approved the package for revival of the Short-term Rural Cooperative Credit Institutions involving financial, legal and institutional measures. Provision of financial assistance has been linked to legal and institutional reforms. The liability of funding the financial package will be shared by the Government of India, State Government and Cooperative Credit Structure based on origin of the losses and existing commitments. The magnitude of the total financial assistance under the package is estimated at Rs.13,596 crore.

(c): Government of India has so far provided an amount of Rs.1,425 crore as its share towards implementation of the revival package for Short-term Rural Cooperative Credit Institutions to National Bank for Agriculture and Rural Development (NABARD) which is the implementing agency and has made a further provision of Rs.1,500 crore during the current financial year.

(d): To ensure timely implementation of package, the implementing and monitoring committees constituted at National, State and District levels regularly review the release of funds along with monitoring & implementing the package. The release of funds by Government of India under the package is dependent mainly upon:-

(i) State Government accepting the Package
(ii) State Government signing MoU with GoI & NABARD
(iii) State Government amending the Cooperative Societies Act through Ordinance/Bill, and
(iv) State Government releasing its share.